

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|--|---|----------|
| APPLICATION OF THE NORTH HOPKINS WATER |) | |
| DISTRICT FOR A RATE INCREASE EFFECTIVE |) | CASE NO. |
| NOVEMBER 1, 1990 |) | 90-300 |

O R D E R

On September 28, 1990, North Hopkins Water District ("North Hopkins") filed its application for Commission approval of a proposed increase in its rates for water service pursuant to KRS 278.190. The rates proposed by North Hopkins for water service would generate additional annual revenues of \$56,839, an increase of 22 percent over normalized test-year revenues from water sales of \$263,012.

In November of 1990, Commission Staff conducted a field review of North Hopkins' test-period financial records. Based upon the review, Commission Staff issued its report on January 25, 1991 recommending that North Hopkins be allowed to increase its annual revenues by \$47,142.

By letter dated January 28, 1991, North Hopkins was advised to file comments on the Staff Report or request a hearing no later than February 12, 1991 or the case would stand submitted to the Commission for a decision. No comments on the Staff Report or request for a hearing have been received.

The Commission, after consideration of the evidence of record and being otherwise sufficiently advised, finds:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, are hereby adopted as the findings of the Commission in this proceeding, and are incorporated by reference as if fully set out herein.

2. The rates in the Appendix, attached hereto and incorporated herein, are the fair, just, and reasonable rates for North Hopkins, and will produce gross annual revenues from water sales of approximately \$310,154. These rates will allow North Hopkins sufficient revenues to meet its operating expenses and provide for future growth equity including provisions for servicing its debt.

3. The rates proposed by North Hopkins would produce revenue increases in excess of that found reasonable herein and should be denied upon application of KRS 278.030.

IT IS THEREFORE ORDERED that:


1. The rates proposed by North Hopkins in its application are hereby denied.

2. The rates in the Appendix are approved for service rendered by North Hopkins on and after the date of this Order.

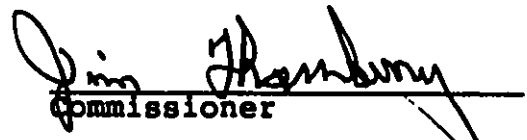
3. Within 30 days of the date of this Order, North Hopkins shall file with the Commission its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 5th day of March, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-300 DATED March 5, 1991.

The following rates and charges are prescribed for the customers in the area served by North Hopkins Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Monthly Rates

5/8 x 3/4 Inch Meters

| | |
|---------------------|------------------------|
| First 2,000 gallons | \$17.10 (Minimum Bill) |
| Next 2,000 gallons | 8.25 per 1,000 gallons |
| Next 3,000 gallons | 5.90 per 1,000 gallons |
| Next 3,000 gallons | 4.75 per 1,000 gallons |
| Over 10,000 gallons | 2.95 per 1,000 gallons |

3/4 Inch Meters

| | |
|---------------------|------------------------|
| First 3,000 gallons | \$25.35 (Minimum Bill) |
| Next 1,000 gallons | 8.25 per 1,000 gallons |
| Next 3,000 gallons | 5.90 per 1,000 gallons |
| Next 3,000 gallons | 4.75 per 1,000 gallons |
| Over 10,000 gallons | 2.95 per 1,000 gallons |

1 Inch Meters

| | |
|---------------------|------------------------|
| First 5,000 gallons | \$39.50 (Minimum Bill) |
| Next 2,000 gallons | 5.90 per 1,000 gallons |
| Next 3,000 gallons | 4.75 per 1,000 gallons |
| Over 10,000 gallons | 2.95 per 1,000 gallons |

1 1/2 Inch Meters

| | |
|----------------------|------------------------|
| First 10,000 gallons | \$65.55 (Minimum Bill) |
| Over 10,000 gallons | 2.95 per 1,000 gallons |

2 Inch Meters

| | |
|----------------------|------------------------|
| First 15,000 gallons | \$80.30 (Minimum Bill) |
| Over 15,000 gallons | 2.95 per 1,000 gallons |